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The man who would save Scottish industry

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WHEN the call came from hole-in-the-wall company NCR, it looked like the Larkhall plant of **Rosti Technical Plastic** was about to become the latest victim of the drift of manufacturing work to China.

NCR believed Rosti's components were too expensive and that it could have them made in China at a fraction of the cost. Jobs were on the line and another bit of Scottish manufacturing looked as if it was about to bite the dust.

But Rosti's management had other ideas. They had heard about Stuart Ross, a veteran of the Japanese working practices of kaizen ("continuous improvement") and lean manufacturing. Ross had been working at multinationals including Hewlett Packard, Digital and Polaroid where he had become a convert to the principle of stripping out waste and improving the way companies operated.

Now running his own business and gaining a reputation for results, Ross was brought in to offer Rosti a route to salvation. He got to work and within weeks had come up with a means to improve productivity by a massive 70%. While Rosti's other plants in England and Wales suffered cutbacks, the work that NCR wanted to switch to China stayed in Scotland.

Ross, 60, is emerging as a messianic figure in Scottish manufacturing, an expert in improving company processes and the way people work to the point where he is now advising even the biggest corporations and grabbing the attention of the government as the search for cost-efficient working moves up the agenda.

He reckons, even by his own modest estimates, to have saved Scottish industry more than £10 million - a sum that grows as the annual savings accumulate - and to have kept hundreds, if not thousands, of Scots in work. The results of his endeavours speak for themselves and have encouraged those who have worked with him to describe him as the saviour of Scottish industry. A close examination of what he has achieved suggests there is some truth in it.

Henry Technologies was a struggling manufacturer of components for refrigeration systems on the Hillington Industrial Estate near Glasgow when it announced that job losses appeared inevitable. Ross was brought in and implemented his programme. Within weeks the company saw a 150% improvement in productivity. The firm cut the cost of its main product by 15% and the delivery time from six weeks to three days. Salesmen previously hindered by this long lead time were able to tell customers they could have the parts installed that same week and at a lower price.

Within 10 months the firm saw a 125% increase in sales and went from threatening to fire people to hiring them. No extra finance was raised, it all came about from a reorganisation of how the firm operated.

Peter Hughes, chief executive of Scottish Engineering, the trade association for the country's manufacturers, said he could not praise Ross highly enough for what he was doing. "He has done a hell of a lot of good, quite amazing. He is making a significant impact."

Last week, during a break from his latest seminar at the Beardmore Hotel, Clydebank, Ross modestly recounted his experiences and how he operates as a self-styled "resultant", rather than a consultant, as it describes the end rather than the means.

His grandly titled company, Stuart Ross International, turns out to be its own model of efficiency with just himself and one fellow "resultant", Richard Steer. His wife and son do all the administrative and internet design work. But that's it: four desks in a modest office in Milngavie on the outskirts of Glasgow from where he is implementing a programme now regarded as a vital component in the survival of Scottish manufacturing. He is getting results on a turnover of £250,000. So much for Scottish Enterprise's £500m.

All the more surprising is that Ross is profoundly deaf, a result of the side-effects of drugs he was taking for asthma. He communicates via an electronic device worn around his neck that is connected to two titanium studs drilled into his skull. The disability means that he requires a lot of microphones and cables in order to hear what is being said, but it has had no adverse effect on the message he conveys.

Some of his 70-plus clients have been back for more than one session and include some of the world's biggest firms - some that may have thought themselves to be already among the most efficient. He worked with IBM's continuous improvement manager, who was sceptical that he could achieve a 50% improvement in one particular area of activity. "He was stunned by what we achieved and the dead bodies we recovered," says Ross. "Before you knew it, the place was littered with dead bodies."

Ross says his philosophy is based on "doing more for less", stripping out waste and improving the way people work. "It is not just about productivity, but predictability, speeding things up, making things flow smoothly."

He involves employees in reorganising how they do their jobs, asking them to identify problems and how things might improve. It means asking what the customer wants and how best it can be delivered. "You look at the processes involved and usually they are not very good. Wherever you go, usually people are working with processes that have been imposed on them. When you give them a chance to look critically at how they are doing things and how they might do them differently, the results can be amazing.

"The other thing is that improving the way people work makes them enjoy their work. They often know what is wrong and what is broken, but they don't have any opportunities to make changes. So things stay as they are.

"You also find the same things coming up from different clients. We had a man from IBM listening to the problems at the Benefits Agency and he said the pressures, the inadequate processes and other problems were the same as the ones they faced."

Ross says his passion for improving organisations comes from a personal drive "to make things better". Some 30 years with multinationals included a spell as total quality master at Digital in the early 1990s when he was part of a team sent out to the US to apply the kaizen and lean manufacturing principles to build a jet engine. Instead of the usual 104 hours it took 26. "It was life-changing," says Ross.

Toyota claims to have developed the principles after the war and Nissan adopted them, introducing the concept of minimum waste and maximum efficiency to its new plant in Sunderland in the 1980s at a time when the British car industry was plagued with over-manning and underperformance. Kaizen and lean manufacturing are similar in concept, while Six Sigma, another "efficiency model" is driven more by technical improvements. Companies such as Weir Group in Glasgow and Bosch in Kirkcaldy have adopted one or other as a means of driving out waste and improving productivity.

Ross will be working closely with the Scottish Executive's new Scottish Manufacturing Advisory Service, which aims to send teams of experts to struggling companies to help keep them in business. He made an immediate impact at the launch conference at the Dunblane Hydro in November, with 10 of the delegates signing up as clients.

The Executive was so impressed with a session given by Ross to its managers that it asked for another and made a video to promote it to staff. Tom McCabe, the finance minister, has taken a keen interest, particularly after seeing the results of work that Ross did with Aberdeenshire Council, which has completed 18 sessions.

The council's planning department wanted to speed up its process. As a result of changes now introduced, the time for processing applications has been reduced from up to eight days to three. In half of cases it takes just one day, and uses half the resources. There were similar improvements in the social work department, where no jobs were lost, but instead more staff were employed with clients rather than in paperwork.

Warwick Business School is due to publish the results of a survey in early summer into the effects of employing kaizen and lean principles into the public sector. It will include an analysis of the work at Aberdeenshire Council.

Ross says: "Lean thinking can be applied to almost any process, but the key is the involvement of those who actually do the work. I passionately believe that companies, councils and the NHS can make major improvements across all their key measures once they learn how to involve their staff in the elimination of wasted time."

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